



ASSISTANT SECRETARY OF DEFENSE
WASHINGTON 25, D. C.

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50-1703

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SUPPLY AND LOGISTICS

28 April 1958

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Dear Mr. Dulles:

Late in 1957, the Administrator of the Business and Defense Services Administration reconstituted the Industrial Mobilization Controls Committee, consisting of representatives of ODM, BDSA, AEC, and DOD, to reappraise the Defense Materials System. This Committee, on which your representative advises the S&L member, is reviewing DMS and the related BDSA Regulations and Orders, to improve the System's effectiveness both from the standpoint of its support for current defense programs and for mobilization.

In the course of Committee discussions, a question was raised regarding the need for the continuation of the materials allotment procedure, an integral part of the Defense Materials System. The question was posed by BDSA to Mr. Gordon Gray, Director of ODM. Mr. Gray's reply of 11 April 1958, attached, reaffirms the necessity for retention of the DMS.

Although ODM and BDSA are the civilian agencies responsible for establishing policies and publishing the rules on the use of priorities and allocations authority, the DOD is the major delegate. Primary administration of the system is through contractors of the DOD and associated agencies. Mr. Gray's direction to BDSA that ".... a wider dissemination among the industrial community of information concerning the system would be advisable", is of particular interest; better industrial compliance would be most helpful to us. I have offered BDSA the full cooperation of the DOD in support of this most desirable objective.

Sincerely yours,

PERKINS MCGUIRE

Assistant Secretary of Defense
(Supply and Logistics)

1 Inclosure
Cy ODM ltr dtd 11Apr58

Honorable Allen W. Dulles
Director
Central Intelligence Agency
Washington 25, D. C.